



## Fiscal Year 2014-15 Second Quarter Financial Status Report

County of San Luis Obispo

### Introduction

In accordance with the Board's adopted policy related to Ongoing Budget Administration, this Second Quarter Financial Status Report provides an overview of the County's financial position at the end of the second quarter of Fiscal Year (FY) 2014-15. The second quarter time frame is October 1, 2014 through December 31, 2014.

The Second Quarter Financial Status Report is organized in following sections:

**Section 1-** provides an overview of the County's financial position at the end of the second quarter, as well as brief summaries of noteworthy departmental fiscal and operational issues.

#### **Board Policy: Ongoing Budget Administration**

"It shall be the responsibility of the County Administrative Officer to submit Quarterly Financial Status Reports to the Board of Supervisors. These reports shall provide a projection of expenditures and revenues, identifying projected variances. They may also include recommendations and proposed corrective actions which may include mid-year reductions."

**Section 2-** provides a big picture analysis of second quarter revenue receipts by category (e.g., taxes, charges for services, etc.) and fund (e.g., General Fund, Road Fund, etc.) as well as a review of contingency, designation and reserve activity.

**Section 3-** provides a summary of all personnel changes approved by the Board of Supervisors, or made administratively by the Human Resources Department during the second quarter.

**Section 4-** provides a summary of miscellaneous financial items for the Board's consideration, such as requests from departments for acceptance of gift funds and donations, discharge of bad debt and miscellaneous budget adjustments.

**Section 5-** provides an update on the capital improvement projects and maintenance projects managed by the General Services and Public Works Departments.

## Section 1: Overview of Financial Position

As shown in the table below, expenditure and revenue patterns for the second quarter are similar to those from the second quarter of FY 2013-14. The revenue realization percentages are typical for the second quarter due to the time lag involved in billing cycles and receipt of reimbursements, and because some of the largest revenue sources, property taxes for example, are historically realized closer to the end of the fiscal year.

The following table compares the current year and prior year second quarter expenditures and revenues for All Funds and the General Fund.

Expense & Revenue All Funds Comparison		
	Second Quarter FY 2013-14	Second Quarter FY 2014-15
Expenditures	39%	38%
Revenue Realized	37%	36%
Expense & Revenue General Fund Comparison		
	Second Quarter FY 2013-14	Second Quarter FY 2014-15
Expenditures	42%	45%
Revenue Realized	37%	38%

Based on the evaluation of the financial information provided by departments for the second quarter, all departments report overall that they anticipate ending the year within their budgeted level of General Fund support. The summary below highlights notable issues by department, including an update on the Airport budget and enplanement levels, per Board direction, and a financial update on Camp Mabel French.

**Department:** Clerk-Recorder  
**Fund Center:** 111  
**Issue:** Shortfall of Recording Revenue  
**Impact to General Fund:** \$0

At the end of the second quarter, recording revenues are 11% below the first half of FY 2013-14, though they have risen 4% from the first quarter this year. If current recording trends continue, the Clerk-Recorder projects a \$120,000 recording revenue shortfall by year-end. However, the department expects that it can mitigate any revenue shortfall with unanticipated revenues and decreased expenditures.

The decline in recording revenue was reported to your Board throughout FY 2013-14 and is continuing, with some small improvement, into this fiscal year. The decline in recording revenue is attributable to external factors, such as a shortage of housing inventory, rising sales prices which may preclude people from buying homes, increased federal regulations for obtaining loans, and rising interest rates; all of which contribute to decreased home-buying activity. This situation is occurring across the State and many counties are experiencing similar declines in recording revenue.

**Department:** County Fire  
**Fund Center:** 140  
**Issue:** Unbudgeted increase in expenditures of about \$763,036  
**Impact to General Fund:** None. Will be offset by expense savings and revenue

Cal Fire staffs and operates the County Fire Department under a contract between the County and the State of California. The annual cost of this contract is subject to expense increases due to changes in rates charged by the California Public Employees' Retirement

System (CalPERS), as well the State's collective bargaining agreements relating to firefighters and other Cal Fire labor units.

In September, two such changes went into effect. First, Cal Fire's employee benefit rates increased based on changes in assumptions made by CalPERS. The aggregate impact on the cost of the County's contract with Cal Fire due to this rate increase is estimated to be \$405,000 or 2.6% of the total contract budget of \$15.7 million adopted by the Board in June of 2014.

Second, the State increased firefighter salaries retroactive to July 1, 2014. This was done as a result of collective bargaining that took place following the statewide increase in the minimum wage, which increased from \$8/hr. to \$9/hr. on July 1, 2014. Collective bargaining was triggered because Firefighter I salaries are pegged to minimum wage, and therefore increased 12.5% (or \$1/hr.). Although the County's contract with the State includes no Firefighter I positions, salaries for Firefighter II positions were "compacted" by the increase, because there was no longer a meaningful difference in compensation between the Firefighter I and II levels, despite the difference in skill and experience between the two levels. The result was a 6% increase to Firefighter II salaries, retroactive to July 1, 2014. The contract also calls for a 4% increase to all firefighter salaries effective January 1, 2015.

The aggregate maximum impact of these increases is estimated to be \$358,036 or 2.2% of the total contract budget adopted by the Board for FY 2014-15. This maximum impact reflects the cost associated with these increases if all staff were at the top pay step of their position, which is not actually the case. The actual impact will be less given that many of Cal Fire employees that serve the County are below the top pay step for their position.

Taken together, the total increase is estimated to be \$763,062 (almost 5%) in the current year. This was not anticipated during the FY 2014-15 budget development process, and is not included in the current budget. As of the end of the Second Quarter, County Fire reports that it will be able to offset this unanticipated expense with savings in other expenditure areas and still end the year with \$257,000 of General Fund savings.

### **Health Agency**

Overall, the Health Agency expects to end the year with a General Fund savings of \$212,000, primarily due to the significant savings in the Medically Indigent Services Program (MISP), which is estimated to require almost \$780,000 less General Fund support than budgeted. Animal Services and Public Health also expect to end the year

with General Fund savings, for a projected combined Health Agency General Fund savings of \$982,000. However, the Health Agency is also projecting that the Behavioral Health Department and Law Enforcement Medical Care (LEMC) are expected to exceed their budgeted level of General Fund support by at year end by a combined total of \$770,000, for net savings of \$212,000.

The issues facing the Behavioral Health and LEMC budgets as well as information on the lower than expected spending levels for MISD are discussed below.

**Department:** Health Agency- Law Enforcement Medical Care  
**Fund Center:** 184  
**Issue:** Revenue Shortfall and Unanticipated Expenditures  
**Impact to General Fund:** \$127,354

The Health Agency is projecting that the LEMC budget will exceed its budgeted level of General Fund support by \$127,354 at year end. This is due to two factors.

1. LEMC is projecting that the \$98,000 of Medi-Cal reimbursement revenue budget this year will not be received. This revenue was budgeted due to the implementation of the Affordable Care Act and the expansion of Medi-Cal coverage to childless single adults. Under the Medi-Cal expansion the State will now reimburse for acute hospital care provided to Medi-Cal eligible inmates admitted to a hospital for at least 24 hours. However, State has not yet issued a protocol for claiming reimbursement for these expenses. Additionally, it is unknown if the State will accept claims retroactively back to the beginning of the fiscal year once the protocol has been released. Therefore, the Health Agency is not assuming any of the \$98,000 of Medi-Cal revenue budgeted this year will be received.
2. Expenditures are expected to exceed budgeted levels at year end by \$35,000, primarily due to higher than expected expenditures for pharmaceuticals, most notably AIDS medications.

**Department:** Health Agency- Behavioral Health  
**Fund Center:** 166  
**Issue:** Revenue shortfall of \$1.7 million  
**Impact to General Fund:** \$624,000

The Health Agency is projecting that the Behavioral Health budget will end the year exceeding budgeted General Fund support by \$624,000 (13%) primarily due to a shortfall in revenue. In total, the Behavioral Health Department estimates that revenue will fall short of budgeted levels by \$1,744,000 (3%).

Approximately \$1.1 million of this is offset by corresponding expenditure savings. The remaining balance of \$624,000 is not offset by savings and is projected to exceed the budget level of General Fund support at year end. There are three main drivers of this impact.

1. Medi-Cal Administrative and Quality Assurance revenue was budgeted approximately \$252,000 too high, based on a decline in reimbursable expenditures due to the startup of the Drug Medi-Cal expansion programs;

2. Medi-Cal reimbursement for services provided to clients at the Psychiatric Health Facility (PHF) is expected to end the fiscal year about \$170,000 lower than budget due to inadequate documentation by the attending psychiatrist (this problem has since been corrected); and
3. Revenue from Medi-Cal Administrative Activities was budgeted approximately \$170,000 too high based on actual amounts realized through the second quarter.

Savings in General Fund support elsewhere in the Health Agency, primarily the MISP budget, will offset the impact to the General Fund from the revenue shortfall in the Behavioral Health budget.

**Department:** Health Agency –  
Medically Indigent Services Program  
**Fund Center(s):** 350  
**Issue:** Significant expenditure  
savings due to low enrollment  
**Impact to General Fund:** \$780,000  
savings in FC 101 - Non Departmental  
Revenue

Under the State Welfare and Institutions (W&I) Code 17000, the County is required to provide for medical care of indigent residents who have no other payer source (i.e. Medi-Cal or private health insurance.)

With the inception of the Medi-Cal expansion under the Affordable Care Act (ACA) on January 1, 2014, the majority of indigent medical care clients became newly eligible for Medi-Cal. The ACA includes a mandate that all individuals must have health insurance, with a few exceptions. Therefore, uninsured individuals with incomes at 139% - 250% of the Federal poverty level must either purchase subsidized health care coverage through the State's Health Benefits Exchange (known as Covered California) or seek approval for an exemption due to financial or other verifiable hardships. Those individuals who meet the requirement for a hardship exemption, and who have a medical need, qualify for financial assistance for medical bills through the County's MISP program.

When the FY 2014-15 budget was prepared, the Health Agency assumed approximately 350 individuals would meet the eligibility criteria for MISP. However, this was only an estimate given the County had virtually no experience with the impacts of the ACA and Medi-Cal expansion on the County's W&I Code Section 17000 responsibilities. During the first half of FY 2014-15, 151 people sought information about coverage under MISP and only 8 had been enrolled.

The Health Agency expects enrollment numbers to increase in the second half of the year as a result of grant-funded outreach and education efforts underway, and via referrals made by Department of Social Services staff who determine eligibility for Medi-Cal. At this time, the Health Agency is projecting a savings in General Fund support for indigent health care of at least \$780,000. This amount could be higher if enrollment numbers and/or medical expenditures do not increase beyond existing levels.

**Department:** Parks  
**Fund Center(s):** 305  
**Issue:** Update on Camp French  
**Impact to General Fund:** \$0

On May 1, 2014, the County assumed responsibility for Camp Mabel French, a 100 acre group camp facility, in the Lopez Lake Recreation Area, formerly run by the Boy

Scouts of America. Operation of Camp French is projected to bring in additional revenue since Camp French will add seven campsites, as well as rental facilities for events such as weddings, corporate team building, and festivals.

On March 11, 2014, the Board approved use of \$51,000 of Lopez Lake Project Reserves for various campground and Americans with Disabilities Act (ADA) upgrades, including improvements to existing restroom and shower buildings, an access road and other smaller infrastructure work. These improvements, which are intended to make Camp French operational by County Parks' standards, began in May of 2014.

At the time that the County took responsibility for Camp French, it was expected that it would generate a profit of \$71,451 in first year of County operation. This assumed a total operational costs of \$22,650 (not including the \$51,000 in infrastructure costs) and revenue of \$94,101. From May through December Camp French has generated a net profit of \$6,000. For the period May 1, 2014 through June 30, 2014, \$17,000 in revenue was received. From July 1, 2014 through December of 2014, an additional \$9,596 in revenue was generated by Camp French. Increased operating expenses totaled \$3,500 during the first half of FY 2014-15.

Since Camp French is a new addition to County Parks' inventory, future quarterly reports will continue include an update on Camp French operations and their impact on the County Parks budget.

**Department:** Airports  
**Fund Center:** 425  
**Issue:** Budget status and enplanement Levels  
**Potential Impact to General Fund:** \$0

As an Enterprise Fund, Airports relies on the revenues generated by the San Luis Obispo County Regional Airport and Oceano Airport to fund operational and capital expenses.

Revenue from passenger enplanements on commercial air carriers is a key indicator of the Airports' fiscal health and outlook. The Quarterly Financial Report includes a regular update on the status of the Airports' budget with emphasis on the number of passenger enplanements.

Changes to air carrier service that began in 2007 with rising fuel prices were exacerbated by the great recession of 2008. Many airports, including the San Luis Obispo County Regional Airport, experienced reductions in the number of commercial flights and an overall decline in enplanements. Since that time, the annual expenditures for Airports' operations have largely exceeded the amount of annual revenues received by the Airports, with the exception of FY 2012-13 and FY 2013-14, when revenue exceeded operational expenditures by \$139,000 and \$439,256 respectively. In difficult years, Airports relied on its unallocated cash balance in the Airport Fund to cover expenses.

Consistent with recent quarters, Airports is continuing to report improved parking fee revenues due to a contract with MINDBODY for employee parking, an increase in enplanements, use of the parking kiosk payment system, and a \$1 increase to daily parking rates, which went into effect in January 2014. Due to this increase, as well as

increased revenue from concessions, rents and leases, it is currently projected that Airports will end the year with revenues exceeding expenditures by \$432,592.

The following table shows enplanement numbers from FY 2007-08 to present, along with annual percentage change in enplanements:

<b>Fiscal Year</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Cumulative</b>	<b>% Change</b>
2007-08	51,343	48,784	38,794	43,364	182,285	
2008-09	42,697	32,566	26,866	30,619	132,748	-27%
2009-10	32,968	30,873	27,645	33,666	125,152	-6%
2010-11	36,301	36,128	30,496	36,984	139,909	11%
2011-12	35,631	34,493	30,185	33,935	134,244	-4%
2012-13	35,457	31,850	30,354	34,654	132,315	-1%
2013-14	36,753	36,224	34,528	39,600	147,105	11.2%
2014-15	40,345	38,356			78,701	7.8%*

\*Compares the second quarter of FY 2014-15 to the second quarter of FY 2013-14.

The number of commercial air service passenger enplanements is a major driver of Airport revenues. As of the end of the second quarter, enplanement levels at the San Luis Obispo County Regional Airport increased by 5,724 or 7.8%, compared to the same time in the prior fiscal year.

**Department:** Golf Courses  
**Fund Center(s):** 427  
**Issue:** Decrease in rounds played at Dairy Creek  
**Impact to General Fund:** \$0

As an Enterprise Fund, Golf relies on the revenues generated by the County's three golf courses (Dairy Creek Golf Course, Chalk Mountain Golf Course and Morro Bay) to fund its operational and capital expenses. The number of rounds played is a key indicator of

Golf's fiscal health and outlook.

In the First Quarter Report, Golf reported a decline in rounds played, and this decline has continued into the second quarter. Through the end of the second quarter, the total number of rounds played has decreased 12% (7,547 rounds) compared to the second quarter of FY 2013-14. The decrease is due, in part, to dry conditions at Dairy Creek Golf Course. Rounds at Dairy Creek have decreased by 38% compared to the second quarter of FY 2013-14, as a result of drought conditions, as well as a decline in the amount of effluent water that is transferred from California Men's Colony (CMC) to Dairy Creek due to a leak, which forced Golf to limit watering of greens. The decrease in effluent water from CMC is a result of a decreased prison population, as well as water conservation measures at the facility.

In addition to the water shortage, the concessionaire at Dairy Creek filed bankruptcy at the end of September 2014, ceasing to provide concession services at the course, including food and beverage service, reservations, golf cart rentals, and operation of the pro shop. In an effort to mitigate the impacts to Golf's customers and revenues, County Golf staff is now running the course on a temporary basis until a new concessionaire

can be identified. Staff is continuing to work with concession partners to incentivize play at County courses by utilizing promotional offers to golfers.

When the current year budget was formulated, Golf projected that revenues would exceed expenditures by \$59,000 at year end. In contrast, Golf now projects that expenditures will exceed revenues by \$284,900 at year end. Since Golf is an Enterprise Fund, it is expected that Golf will use its cash balance to cover any potential budgetary gap at year end, with no impact to the General Fund. Staff will continue to monitor Golf's budget closely and will provide updates in future quarterly reports.



## Section 2: Status of Funds, Contingencies and Reserves

### I. GENERAL:

The Auditor-Controller Treasurer-Tax Collector Public Administrator's Office has prepared the following Schedules that are attached following this narrative.

Schedule 1: Comparative Statement of County Funds - Revenue Status

Schedule 2: Comparative Statement of Contingencies and Reserves

Schedule 3: Revenues and Expenditures by Functional Area

Schedules 1 and 2 are the focus of the following discussion. Generally, comments are limited to material deviations from the prior year or from what would appear to be normal performance. Schedule 3 is for information only.

### II. SCHEDULE 1: Comparative Statement of County Funds Revenue Status

#### A. Summary

Total budgeted revenues for all funds are \$597.2 million. At the end of the second quarter \$215.2 million or 36% of estimated revenues were realized, compared to 37% in the prior year. Taxes and government aid do not follow even monthly flows.

#### B. Specific Comments - Revenue Status by Type

Taxes - Current Property: Collections of property tax revenue were 62% at the end of the second quarter compared to the prior year's realization rate of 60%.

Taxes - Other than Current Property: At the end of the second quarter 26% of estimated revenue was realized, comparable to 26% in the prior year. Included in this revenue classification are Transient Occupancy Tax (Bed Tax), Property Transfer Tax, Property Tax In-Lieu of Sales Tax and Property Taxes In-Lieu of Vehicle License Fees. Sales Tax collections are \$506,000 less than prior year. This is due to the winding down of large solar plant construction projects in California Valley. Transient Occupancy Tax, Property Transfer Tax, and Tax Loss Reserve Fund revenues all show increases reflecting the recovery of the general economy.

Licenses and Permits: The amount realized is 46% of budget compared with a realization rate of 48% in the prior year. Revenue sources in this class include Franchise Fees, Plan Check Fees, Building Permits, and Land use Permits. Plan Check Fees decreased by \$466,000 compared to the same period last year. This is also due to the decreased activity of the solar plant construction projects.

Fines, Forfeitures and Penalties: The amount realized is 39% compared to last year's realization rate of 49%. The revenues in this classification are mainly the County share of penalties and fines collected by the Courts. The difference in the overall percentage is due to a large one time settlement budgeted and received in the prior year. If that was not included in the calculations, the prior year realization rate would be only 29%. The current year amount is 10% higher than the prior year due to the fact that revenues collected by the Court were significantly lower last year than in any recent year. The reason was not immediately known and the Court is looking into this question.

Revenue – Money and Property Use: Realized revenue in this class is 64% compared to the 76% realization rate in the prior year. The difference in the overall percentage is due to a new interest revenue account in the current year that is showing only a 25% realization rate compared to a large budgeted amount of \$1,300,000. The County prefunded the annual Pension contribution and is on schedule 100% of the interest amount by the end of the fiscal year.

Total interest revenue earned by the General Fund was \$71,630 compared to \$83,356 in the same quarter of the prior year. The County Treasury average rate of return during the second quarter was .3047% compared to .3031% in the prior year.

Aid from Government Agencies: The amount realized is 27%, compared to 28% for the prior year. Aid from government agencies does not follow even monthly revenue flows but catches up in the third and fourth quarters. There are a number of variances from the prior year including the timing of transfers and accrual reversals.

Charges for Current Services: The amount realized is 40%, compared to 41% in the prior year.

Other Revenues: The amount realized is 36%, compared to 33% realized in the prior year.

Other Financing Sources: The amount realized for this quarter was 44% compared to 42% in the prior year. Transfers for capital projects is included in this category and is recognized as projects progress.

### C. Specific Comments - Revenue by Fund

General Fund: The General Fund realized 38% of estimated revenue as of the end of the second quarter, compared to 37% in the prior year.

Capital Projects Fund: This fund recognized 11% of revenues through the second quarter compared to 30% in the prior year. This is mainly a timing issue as revenue is recognized as projects progress. There was a large onetime transfer in from the General Fund in the amount of \$2.6 million in the prior year for the construction of the new Juvenile Hall and Women's Jail.

Road Fund: The Road Fund realized 26% of estimated revenue in the period compared to 31% in the prior year. The difference from the prior year is one of timing as this revenue is realized as projects are completed.

Community Development Program Fund: This fund's revenue through the second quarter was 23% in the current year to date compared to 22% in the prior year.

Public Facility Fees: Public Facility Fee fund realized 71% of budgeted revenue in the current fiscal year, compared to 131% in the prior year. This difference is due to the budgeted amounts being higher for current fiscal year based on expected growth in single family residential building permits.

County Wide Automation Replacement Fund: This fund's revenue through the second quarter was 45% in the current year to date compared to 25% in the prior year. The difference from the prior year is one of timing as this revenue is realized as projects are completed.

General Government Building Replacement Fund: This fund's revenue through the second quarter was 77% in the current year to date compared to 55% in the prior year. The difference from the prior year is one of timing as this revenue is realized as projects are completed.

Impact Fees-Traffic: This fund's revenue through the second quarter was 70% in the current year compared to 27% in the prior year. Budgeted revenues in the current year were one third of the budgeted amount in the prior year, but amounts realized in the two years were comparable, resulting in a skewed realization percentage.

## **SCHEDULE 2: Comparative Statement of Contingencies and Reserves**

### **A. Contingencies**

General Fund: In the second quarter, General Fund contingencies were decreased by \$30,800. Of this amount, \$24,000 was transferred to the Probation Department to fund an Anti-Gang Employment Coordinator, and \$6,800 was transferred to General Services to purchase Tax Defaulted land parcels in Cayucos.

The General Fund contingency balance at the end of the quarter was \$18,527,735 or 4.15% of total budgeted General Fund expenditures.

No other changes were made to contingency balances during the quarter.

### **B. General Reserves**

The Government Code provides that General Reserves may not be used during the operating year unless the Board of Supervisors deems that there is a state of emergency. Since no emergency has existed to date, all balances of reserves are as adopted.

### C. Designations and Other Reserves

The Board of Supervisors may choose to designate portions of available funding for a specific future purpose. Such designations reflect tentative plans, which are subject to change. It is this flexibility that distinguishes designations from reserves.

(\$829,789) GENERAL FUND: To increase appropriations for Internal Financing for Airports to pay off a loan from the State for previous capital improvement projects, including apron work and the fuel farm.

\$4,270,609 GENERAL FUND: This amount was added to a new designation, Proposition 172-Solar Projects. There was a one-time increase in this revenue due to large solar projects in California Valley. This designation will be used to pay for public safety projects in the future.

(\$1,000,000) PUBLIC FACILITIES FEES: Transferred from the Parks Designation to increase appropriations for improvements to the Octagon Barn site.

\$383,908 LIBRARY FUND: This amount was transferred into the Library's designations. This amount represents the revenue received from the Friends of the Cambria Library for their match to complete Cambria Library Building.

(\$40,000) IMPACT FEES-TRAFFIC: To increase appropriation for transfers to the Road Fund to pay for the South County Area Circulation Study.

(\$85,000) IMPACT FEES-TRAFFIC: To increase appropriation for transfers to the Road Fund to pay for the Avila Valley Area Circulation Study.

(\$16,300) DEBT SERVICE COP (Certificate of Participation) FUND: To increase appropriations for administrative and legal fees.

### III. Schedule of Appropriation Transfers under the Auditor's Authority

By resolution the Board of Supervisors authorized the Auditor-Controller to approve appropriation transfers between all object levels within the same budget unit. The resolution also directed that such transfers be reported to the Board on a quarterly basis.

There were no transfers under the Auditor-Controller's Authority during the second quarter.

COMPARATIVE STATEMENT OF COUNTY FUNDS- REVENUE STATUS  
For the Six Month Period Ended December 31, 2014 and 2013

Revenue Status by Class	2014-15	Amount		2013-14	Amount	
	Amount	Realized		Amount	Realized	
	Budgeted	12/31/14	%	Budgeted	12/31/13	%
TAXES - CURRENT PROPERTY	\$ 108,045,639	\$ 66,543,321	62 %	\$ 102,935,483	\$ 61,608,163	60 %
TAXES - OTHER THAN CURRENT PROPERTY	51,840,930	13,390,235	26 %	51,020,528	13,481,678	26 %
LICENSES AND PERMITS	9,350,258	4,265,132	46 %	9,641,212	4,603,892	48 %
FINES, FORFEITURES AND PENALTIES	5,660,717	2,212,230	39 %	8,660,953	4,207,674	49 %
REVENUE - MONEY AND PROPERTY USE	1,854,082	1,092,750 **	64 %	772,833	584,059	76 %
AID FROM GOVERNMENT AGENCIES	309,628,433	82,635,964	27 %	252,016,419	70,437,900	28 %
CHARGES FOR CURRENT SERVICES	30,596,896	12,176,639	40 %	29,661,064	12,284,504	41 %
OTHER REVENUES	30,656,296	11,001,538	36 %	37,925,271	12,550,739	33 %
OTHER FINANCING SOURCES	49,556,792	21,818,119	44 %	34,695,421	14,520,999	42 %
TOTAL REVENUES	<u>\$ 597,190,043</u>	<u>\$ 215,227,465</u>	<u>36 %</u>	<u>\$ 527,329,184</u>	<u>\$ 194,279,608</u>	<u>37 %</u>

Revenue Status by Fund	2014-15	Amount		2013-14	Amount	
	Amount	Realized		Amount	Realized	
	Budgeted	12/31/14	%	Budgeted	12/31/13	%
1000000000 General Fund	\$ 419,160,602	\$ 160,721,170 **	38 %	\$ 400,201,044	\$ 146,734,349	37 %
1100000000 Capital Projects	58,039,741	6,300,925 **	11 %	19,327,576	5,868,783	30 %
1200000000 Road Fund	53,012,963	13,896,456	26 %	41,256,104	12,866,882	31 %
1200500000 Community Devel Pgm	9,087,457	2,109,448	23 %	10,148,185	2,201,329	22 %
1201000000 Public Facility Fees	1,468,500	1,037,031	71 %	864,500	1,133,268	131 %
1201500000 Parks	11,633,588	5,816,983	50 %	8,934,883	4,143,223	46 %
1202000000 Co-Wide Automation Replacement	6,700,770	3,037,335	45 %	6,457,018	1,623,971	25 %
1202500000 Gen Gov Building Replacement	5,850,498	4,508,740	77 %	5,814,324	3,171,218	55 %
1203000000 Tax Reduction Resrv	4,550,000	2,904,147	64 %	1,399,033	706,769	51 %
1203500000 Impact Fee-Traffic	853,800	599,391	70 %	2,616,312	716,573	27 %
1204000000 Wildlife And Grazing	3,500	13	0 %	3,500	7	0 %
1204500000 Driving Under the Influence	1,483,649	620,520	42 %	1,402,463	663,943	47 %
1205000000 Library	8,911,545	5,430,046	61 %	10,427,798	5,537,760	53 %
1205500000 Fish And Game	20,000	7,005	35 %	20,000	16,563	83 %
1206000000 Organizational Development	904,000	576,741	64 %	459,700	225,998	49 %
1206500000 Medically Indigent Services Progra	2,531,938	888,308	35 %	5,102,096	2,141,017	42 %
1207000000 Emergency Med Svcs	801,000	350,588	44 %	801,000	299,299	37 %
1208000000 Debt Service-Cert of Participation	2,080,047	1,398,984	67 %	2,079,022	1,393,906	67 %
1801000000 Pension Obligation Bond DSF	10,096,445	5,023,634	50 %	10,014,626	4,834,750	48 %
TOTAL REVENUES	<u>\$ 597,190,043</u>	<u>\$ 215,227,465</u>	<u>36 %</u>	<u>\$ 527,329,184</u>	<u>\$ 194,279,608</u>	<u>37 %</u>

\*\* Includes second quarter interest:

General Fund	\$71,630
Capital Proj	<u>\$19,907</u>
	\$91,537

COMPARATIVE STATEMENT OF CONTINGENCIES AND RESERVES  
By Fund as of December 31, 2015

	2013-14 Final Budget	2014-15 Final Budget	As of 12/31/14	2014-15 Increase (Decrease)
<u>Contingencies</u>				
General Fund	\$ 15,551,002	\$ 19,111,875	\$ 18,527,735	\$ (584,140)
Community Devel Pgm	37,167	44,840	44,840	0
Parks	550,113	510,711	510,711	0
Driving Under the Influence	123,502	40,000	40,000	0
<u>Library</u>	<u>424,297</u>	<u>452,750</u>	<u>452,750</u>	<u>0</u>
TOTAL CONTINGENCIES	<u>\$ 16,686,081</u>	<u>\$ 20,160,176</u>	<u>\$ 19,576,036</u>	<u>\$ (584,140)</u>

	2013-14 Final Budget	2014-15 Final Budget	As of 12/31/14	2014-15 Increase (Decrease)
<u>Designations and Other Reserves</u>				
General Fund				
Co. Fire Equip. Replace	\$ 113,765	\$ 154,383	\$ 154,383	\$ 0
Designated FB-2020 POB	7,188,657	8,688,657	8,688,657	0
General Reserve	9,000,000	9,000,000	9,000,000	0
Internal Financing	3,918,103	4,163,459	1,733,670	(2,429,789)
Solar Plant Mitigation	8,078,258	11,851,427	11,851,427	0
Willow Rd Interchange	967	0	0	0
Prop 172 Solar			4,270,609	4,270,609
Capital Projects				
Detention Facilities	4,864,343	0	0	0
Facilities Planning	8,946,716	8,042,704	7,513,204	(529,500)
Juvenile Hall Bldg	1,361,600	326,496	0	(326,496)
New Govt Buildin Rep	0	1,986,400	1,986,400	0
Solar/Energy Projects	1,199,787	1,199,787	1,199,787	0
Road Fund				
Future Road Projects	3,428,693	6,137,475	6,137,475	0
Maria Vista Estates	641,299	641,299	641,299	0
N. River Mine Reserve	83,000	83,000	83,000	0
Public Facility Fees				
Reserve for County Fire	1,764,911	2,827,101	2,827,101	0
Reserve for General Gov't	216,148	465,828	465,828	0
Reserve for Law Enforcmnt	793,299	981,908	981,908	0
Reserve for Library	110,804	185,587	185,587	0
Reserve for Parks	2,798,990	2,026,268	746,068	(1,280,200)
Parks				
Lopez Park's Projects	250,000	270,500	270,500	0
Parks Projects	1,441,587	630,849	630,849	0
Co-Wide Automation Replacement				
Automation Replacement	10,840,251	12,539,676	12,539,676	0
Budget System Developm	770,274	770,274	770,274	0
Gen Gov Building Replacement				
Gov. Building Rpl	18,687,751	25,088,123	23,043,571	(2,044,552)
Library - Cambria	501,876	675,893	675,893	0

COMPARATIVE STATEMENT OF CONTINGENCIES AND RESERVES  
By Fund as of December 31, 2015

	2013-14	2014-15		2014-15
	Final		As of	Increase
<u>Designations and Other Reserves</u>	<u>Budget</u>	<u>Budget</u>	<u>12/31/14</u>	<u>(Decrease)</u>
Tax Reduction Resrv				
Desig-Prop Tax Litigation	797,952	797,952	797,952	0
Tax Reduction Reserves	12,839,606	17,418,645	17,418,645	0
Impact Fee-Traffic				
Improvement Fees	4,865,812	4,578,109	4,453,109	(125,000)
Wildlife And Grazing				
General Reserve	377	2,684	2,684	0
Wildlife Projects	14,907	14,907	14,907	0
Driving Under the Influence				
General Reserve	194,859	137,609	137,609	0
Systems Development	419,265	398,346	398,346	0
Library				
Atascadero Building Expan	105,131	94,611	77,443	(17,168)
Facilities Planning	777,510	901,791	1,318,575	416,784
General Reserve	49,690	49,690	49,690	0
Fish And Game				
Environmental Settlemt	23,142	28,142	28,142	0
Fish and Game Projects	105,851	116,619	116,619	0
General Reserve	54,583	54,583	54,583	0
Organizational Development				
Countywide Training	1,479,776	1,729,776	1,729,776	0
General Reserve	565,946	496,042	496,042	0
Debt Service-Cert of Participation				
Loan Payment Reserve	16,373	16,383	83	(16,300)
Pension Obligation Bond DSF				
Desig - POB Debt Service	8,207,937	8,898,224	8,898,224	0
<b>TOTAL DESIGNATIONS AND RESERVES</b>	<b><u>\$ 117,519,796</u></b>	<b><u>\$ 134,471,207</u></b>	<b><u>\$ 128,118,986</u></b>	<b><u>\$ (6,352,221)</u></b>

REVENUES AND EXPENDITURES BY FUNCTIONAL AREA  
For the Six Month Period Ended December 31, 2014

Budget Units by Functional Area	2014-15	Amount		2014-15	Amount	
	Budgeted	Expended		Budgeted	Realized	
	Expenditures	12/31/14	%	Revenues	12/31/14	%
General Government						
100 BOARD OF SUPERVISORS	\$ 1,633,935	\$ 829,265	51 %	\$ 0	\$ 0	0 %
101 NON-DEPARTMENTAL REVENUES	5	1	20 %	161,155,543	80,873,621	50 %
103 NON-DEPT OTHER EXPENDITURES	389,500	261,265	67 %	71,000	0	0 %
104 ADMINISTRATIVE OFFICE	1,887,594	771,652	41 %	136,165	7,407	5 %
105 RISK MANAGEMENT	1,636,489	1,052,873	64 %	1,010,640	318,233	31 %
107 AUDITOR-CONTROLLER	5,217,666	2,422,552	46 %	1,038,274	427,938	41 %
108 TREAS-TAX COLL-PUBLIC ADM	2,994,652	1,313,284	44 %	1,255,246	496,841	40 %
109 ASSESSOR	9,692,325	4,123,240	43 %	612,785	119,819	20 %
110 CLERK/RECORDER	3,206,210	1,653,636	52 %	2,785,611	1,083,724	39 %
111 COUNTY COUNSEL	3,748,868	1,630,427	43 %	234,700	65,988	28 %
112 HUMAN RESOURCES	2,956,517	1,320,530	45 %	262,321	56,416	22 %
113 GENERAL SERVICES	9,874,402	4,755,110	48 %	3,624,180	1,714,990	47 %
114 INFORMATION TECHNOLOGY DEPARTMENT	10,975,623	5,188,772	47 %	1,750,814	473,999	27 %
201 PUBLIC WORKS SPECIAL SERVICES	2,766,768	808,964	29 %	1,248,413	362,424	29 %
266 COUNTYWIDE AUTOMATION REPLACEMENT	7,820,768	2,633,171	34 %	6,700,770	3,037,335	45 %
267 GEN GOVT BUILDING REPLACEMENT	1,720,157	17,250	1 %	5,850,498	4,508,740	77 %
268 TAX REDUCTION RESERVE	349,656	0	0 %	4,550,000	2,904,147	64 %
275 ORGANIZATIONAL DEVELOPMENT	903,154	298,095	33 %	904,000	576,741	64 %
290 COMMUNITY DEVELOPMENT PROGRAM	9,087,457	1,874,001	21 %	9,087,457	2,109,448	23 %
TOTAL General Government	\$ <u>76,861,746</u>	\$ <u>30,954,088</u>	<u>40 %</u>	\$ <u>202,278,417</u>	\$ <u>99,137,811</u>	<u>49 %</u>
Public Protection						
130 WASTE MANAGEMNT	\$ 966,310	\$ 261,005	27 %	\$ 26,036	\$ 111	0 %
131 GRAND JURY	139,093	64,706	47 %	0	0	0 %
132 DISTRICT ATTORNEY	14,877,979	6,787,726	46 %	5,927,875	1,917,222	32 %
134 CHILD SUPPORT SERVICES	4,594,427	2,157,939	47 %	4,594,427	1,711,187	37 %
135 PUBLIC DEFENDER	5,843,764	3,054,486	52 %	574,010	47,001	8 %
136 SHERIFF-CORONER	66,069,861	31,766,924	48 %	27,858,081	10,126,148	36 %
137 ANIMAL SERVICES	2,596,979	1,099,457	42 %	1,874,178	940,353	50 %
138 EMERGENCY SERVICES	1,722,325	466,437	27 %	1,547,598	447,284	29 %
139 PROBATION DEPARTMENT	20,136,353	9,266,908	46 %	10,926,241	3,430,883	31 %
140 COUNTY FIRE	21,742,089	5,066,288	23 %	6,442,811	2,013,530	31 %
141 AGRICULTURAL COMMISSIONER	5,381,730	2,570,988	48 %	3,263,308	483,637	15 %
142 PLANNING & BUILDING DEPARTMENT	14,659,324	6,156,612	42 %	7,590,385	3,554,110	47 %
143 COURT OPERATIONS	2,426,973	1,305,950	54 %	2,880,959	1,261,405	44 %
330 WILDLIFE AND GRAZING	3,500	0	0 %	3,500	13	0 %
331 FISH AND GAME	20,000	10,068	50 %	20,000	7,005	35 %
TOTAL Public Protection	\$ <u>161,180,707</u>	\$ <u>70,035,494</u>	<u>43 %</u>	\$ <u>73,529,409</u>	\$ <u>25,939,889</u>	<u>35 %</u>
Public Ways & Facilities						
245 ROADS	\$ 57,241,030	\$ 15,165,141	26 %	\$ 53,012,963	\$ 13,896,456	26 %
247 PUBLIC FACILITIES FEES	7,271,733	1,492,359	21 %	1,468,500	1,037,031	71 %
248 ROADS - IMPACT FEES	3,552,207	290,291	8 %	853,800	599,391	70 %
TOTAL Public Ways & Facilities	\$ <u>68,064,970</u>	\$ <u>16,947,791</u>	<u>25 %</u>	\$ <u>55,335,263</u>	\$ <u>15,532,878</u>	<u>28 %</u>



REVENUES AND EXPENDITURES BY FUNCTIONAL AREA  
For the Six Month Period Ended December 31, 2014

Budget Units by Functional Area	2014-15 Budgeted Expenditures	Amount Expended 12/31/14	%	2014-15 Budgeted Revenues	Amount Realized 12/31/14	%
Health & Sanitation						
160 PUBLIC HEALTH	\$ 25,766,562	\$ 9,339,538	36 %	\$ 21,299,307	\$ 6,524,140	31 %
166 BEHAVIORAL HEALTH	<u>55,124,540</u>	<u>24,510,900</u>	<u>44 %</u>	<u>47,835,546</u>	<u>14,671,846</u>	<u>31 %</u>
TOTAL Health & Sanitation	<u>\$ 80,891,102</u>	<u>\$ 33,850,438</u>	<u>42 %</u>	<u>\$ 69,134,853</u>	<u>\$ 21,195,986</u>	<u>31 %</u>
Public Assistance						
106 CONTRIBUTIONS TO OTHER AGENCIES	\$ 1,703,452	\$ 1,638,026	96 %	\$ 399,250	\$ 660	0 %
180 SOCIAL SERVICES ADMINISTRATION	68,082,027	29,780,077	44 %	62,988,793	13,001,551	21 %
181 FOSTER CARE-SOCIAL SERVICES	21,646,210	10,170,414	47 %	21,087,452	8,303,328	39 %
182 CALWORKS	12,351,556	5,834,026	47 %	12,020,308	4,739,600	39 %
184 LAW ENFORCEMENT MED CARE	2,772,200	1,272,595	46 %	1,242,351	414,363	33 %
185 GENERAL ASSISTANCE	1,165,593	509,029	44 %	477,447	121,464	25 %
186 VETERANS SERVICES	1,085,043	502,745	46 %	166,374	87,002	52 %
350 Medically Indigent Services Program	3,564,681	1,101,818	31 %	2,531,938	888,308	35 %
351 EMERGENCY MEDICAL SRVS FUND	<u>1,102,052</u>	<u>443,787</u>	<u>40 %</u>	<u>801,000</u>	<u>350,588</u>	<u>44 %</u>
TOTAL Public Assistance	<u>\$ 113,472,814</u>	<u>\$ 51,252,517</u>	<u>45 %</u>	<u>\$ 101,714,913</u>	<u>\$ 27,906,864</u>	<u>27 %</u>
Education						
215 FARM ADVISOR	\$ 476,051	\$ 218,595	46 %	\$ 5,850	\$ 2,216	38 %
375 DRIVING UNDER THE INFLUENCE	1,597,045	736,497	46 %	1,483,649	620,520	42 %
377 LIBRARY	<u>9,598,628</u>	<u>4,096,495</u>	<u>43 %</u>	<u>8,911,545</u>	<u>5,430,046</u>	<u>61 %</u>
TOTAL Education	<u>\$ 11,671,724</u>	<u>\$ 5,051,587</u>	<u>43 %</u>	<u>\$ 10,401,044</u>	<u>\$ 6,052,782</u>	<u>58 %</u>
Recreation & Cultural Services						
305 PARKS and RECREATION	<u>\$ 13,102,653</u>	<u>\$ 5,414,456</u>	<u>41 %</u>	<u>\$ 11,633,588</u>	<u>\$ 5,816,983</u>	<u>50 %</u>
TOTAL Recreation & Cultural Services	<u>\$ 13,102,653</u>	<u>\$ 5,414,456</u>	<u>41 %</u>	<u>\$ 11,633,588</u>	<u>\$ 5,816,983</u>	<u>50 %</u>
Debt Service						
277 DEBT SERVICE	\$ 2,096,347	\$ 1,402,613	67 %	\$ 2,080,047	\$ 1,398,984	67 %
392 PENSION OBLIGATION BOND DSF	<u>9,206,318</u>	<u>7,173,958</u>	<u>78 %</u>	<u>10,096,445</u>	<u>5,023,634</u>	<u>50 %</u>
TOTAL Debt Service	<u>\$ 11,302,665</u>	<u>\$ 8,576,571</u>	<u>76 %</u>	<u>\$ 12,176,492</u>	<u>\$ 6,422,618</u>	<u>53 %</u>
Financing Uses						
102 NON-DEPTL-OTHR FINCNG USE	<u>\$ 30,351,143</u>	<u>\$ 17,680,279</u>	<u>58 %</u>	<u>\$ 1,489,790</u>	<u>\$ 840,655</u>	<u>56 %</u>
TOTAL Financing Uses	<u>\$ 30,351,143</u>	<u>\$ 17,680,279</u>	<u>58 %</u>	<u>\$ 1,489,790</u>	<u>\$ 840,655</u>	<u>56 %</u>

REVENUES AND EXPENDITURES BY FUNCTIONAL AREA  
For the Six Month Period Ended December 31, 2014

Budget Units by Functional Area	2014-15 Budgeted Expenditures	Amount Expended 12/31/14	%	2014-15 Budgeted Revenues	Amount Realized 12/31/14	%
CAPITAL PROJECTS						
200 MAINTENANCE PROJECTS	\$ 8,277,309	\$ 1,464,874	18 %	\$ 1,456,533	\$ 8,444	1 %
230 CAPITAL PROJECTS FUND	<u>72,334,724</u>	<u>6,402,026</u>	<u>9 %</u>	<u>58,039,741</u>	<u>6,281,018</u>	<u>11 %</u>
TOTAL CAPITAL PROJECTS	<u>\$ 80,612,033</u>	<u>\$ 7,866,900</u>	<u>10 %</u>	<u>\$ 59,496,274</u>	<u>\$ 6,289,462</u>	<u>11 %</u>
 COUNTY TOTAL	 <u>\$ 647,511,557</u>	 <u>\$ 247,630,121</u>	 <u>38 %</u>	 <u>\$ 597,190,043</u>	 <u>\$ 215,135,928</u>	 <u>36 %</u>
GENERAL FUND TOTAL	<u>\$ 446,939,447</u>	<u>\$ 199,078,095</u>	<u>45 %</u>	<u>\$ 419,160,602</u>	<u>\$ 160,649,540</u>	<u>38 %</u>

### Section 3: Position Changes

During the Second Quarter, October 1, 2014 through December 31, 2014, the following reclassification/reorganization changes were approved by the Board of Supervisors. This report also includes a list of all administrative changes approved by the Human Resources Director under the authority of the Board of Supervisors, and the current vacancy statistics.

#### **POSITION ALLOCATION CHANGES MADE BY THE BOARD OF SUPERVISORS:**

##### **Fund Center 113 – General Services - Allocation Change Approved 10/7/14**

Delete 1.00 FTE – 08961 General Services Agency Director

Add 1.00 FTE – 00238 Director of General Services (Department)

##### **Fund Center 114 – Information Technology - Allocation Changes Approved 10/7/14**

Add 1.00 FTE – 00241 Director of Information Technology

##### **Fund Center 305 – Parks - Allocation Changes Approved 10/7/14**

Add 1.00 FTE – 00242 Director of Parks and Recreation

##### **Fund Center 425 – Airports Enterprise - Allocation Changes Approved 10/7/14**

Add 1.00 FTE – 00239 Director of Airports

##### **Fund Center 160 - Public Health - Allocation Change Approved 10/7/14**

Delete 1.00 FTE – 00909 Senior Account Clerk

Delete 0.75 FTE – 08892 Administrative Services Officer I or II

Add 1.00 FTE – 08892 Administrative Services Officer I or II

Add 0.50 FTE – 02203 Administrative Assistant Series

##### **Fund Center 180 – Social Services - Allocation Changes Approved 10/7/14**

Add 2.00 FTE – 01547 Employment/Resource Specialist IV

##### **Fund Center 141 – Agricultural Commissioner – Allocation Changes Approved 10/21/14**

Add 1.00 FTE – 00800 Deputy Ag Commissioner/Sealer

Add 1.00 FTE – 08795 Administrative Services Manager

##### **Fund Center 405 – Public Works – Allocation Changes Approved 10/21/14**

Add 1.00 FTE – 02900 Chief Waste Water Treatment Plant Operator

##### **Fund Center 139 – Probation - Allocation Change Approved 11/25/14**

Delete 1.00 FTE – 00324 and 00323 Deputy Probation Officer I or II

Add 1.00 FTE – 00321 Deputy Probation Officer III

##### **Fund Center 136 - Sheriff-Coroner - Allocation Changes Approved 11/25/14**

Delete 1.00 FTE – 02203 or 02230 Administrative Assistant Series or Legal Clerk

Add 1.00 FTE – 08891 or 08892 Administrative Services Officer I or II

##### **Fund Center 142 – Planning & Building - Allocation Changes Approved 12/2/14**

Delete 2.00 FTE – 02806 Land Use Technician-Limited Term  
Add 2.00 FTE – 02800-02802 Planner I, II or III-Limited Term

**Fund Center 142 – Planning & Building - Allocation Changes Approved 12/9/14**

Add 1.00 FTE – 02203 Administrative Assistant Aide, I, II, or III Limited Term  
Extend 1.00 FTE – 02800-02802 Planner I, II, or III-Limited Term to 12/31/15

**Fund Center 113 – General Services - Allocation Changes Approved 12/9/14**

Delete 1.00 FTE – 08963 Deputy Director General Services (Agency)  
Add 1.00 FTE – 00261 Deputy Director General Services (Department)  
Delete 2.00 FTE – 08795 Administrative Services Manager  
Delete 1.00 FTE – 00906 Accountant I/II  
Delete 1.00 FTE – 00914 Accounting Technician  
Delete 1.00 FTE – 00913 Accounting Technician – Confidential  
Delete 1.00 FTE – 00884 Secretary II

**Fund Center 114 – Information Technology - Allocation Changes Approved 12/9/14**

Delete 1.00 FTE – 08962 Deputy Director Information Technology  
Add 1.00 FTE – 08795 Administrative Services Manager  
Add 1.00 FTE – 00913 Accounting Technician – Confidential

**Fund Center 305 – Parks - Allocation Changes Approved 12/9/14**

Delete 1.00 FTE – 08965 Deputy Director County Parks  
Add 1.00 FTE – 08795 Administrative Services Manager  
Add 1.00 FTE – 00907 Accountant I, II, or III  
Add 1.00 FTE – 00914 Accounting Technician  
Add 1.00 FTE – 00884 Secretary II

**Fund Center 425 – Airports Enterprise - Allocation Changes Approved 12/9/14**

Delete 1.00 FTE – 08964 Deputy Director County Airports

**Fund Center 186 – Veterans Services - Allocation Changes Approved 12/16/14**

Add 2.00 FTE – 00868-00866 Assistant Veterans Services Officer I/II-Ltd Term

**SALARY RESOLUTION CHANGES MADE BY THE BOARD OF SUPERVISORS:**

**Fund Center 405 - Public Works – Salary Change Approved 10/28/2014**

Salary Increase – 00245 Director of Public Works/Transportation

### **SUMMARY OF POSITION ALLOCATION CHANGES**

<b>FY 14-15</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Quarter Start	2,554.75	2,557.25		
FTE Additions	17.50	24.50		
FTE Deletions	15.00	16.75		
Quarter End	2,557.25	2,565.00		
Net Change	+2.5	+7.75		
% Change	.001%	.003%		

### **ADMINISTRATIVE CHANGES MADE BY THE HUMAN RESOURCES DEPARTMENT:**

No administrative changes were made by the Human Resources Department during the second quarter.

### **EMPLOYEE VACANCY RATE**

The County employee vacancy rate on December 31, 2014 was 6.38%. This equates to 163.75 vacant FTE.

## **Section 4: Miscellaneous Financial Issues**

### **Acceptance of Donated Gift Funds:**

Donations made by individuals and community organizations are accepted by the County and appropriated into the proper departmental budgets on an as needed basis. These donations are used to enhance programs and meet special needs throughout the County. It is recommended that the Board accept donations totaling \$49,050.18 on behalf of the following County Departments, as noted below:

- Fund Center 137 - Animal Services: \$13,677.21
- Fund Center 377 - Library: \$29,733.23
- Fund Center 305 - Parks: \$4,899.00
- Fund Center 180 - Social Services: \$40.74
- Fund Center 425 - Airports: \$700.00

The Board is asked to approve the receipt of gift funds in the operating budgets of Animal Services, the Library, Parks, Social Services, and Airports, and to approve corresponding appropriation adjustments for Library and Social Services, which do not budget for these funds. Memos from each of the requesting departments are included in Attachment 2.

### **Relief from Accountability:**

Requests for relief from accountability are presented to the Board in accordance with Government Code requirements. The action relieves the requesting department from active pursuit of receivables, but does not release the responsible parties from the debt owed. Requests to discharge bad debt are only submitted to the Board for action after an extensive investigation has taken place and the department has reached the conclusion that the debt will not be collected. If a department's collection efforts are unsuccessful, cases are often turned over to the County's contract collection agency. The following requests for relief from accountability have been submitted for Board consideration:

- It is requested that the Board discharge \$3,548.00 on behalf of FC 160 - Public Health for the Public Health Laboratory accounts that have been determined to be non-collectible.
- It is requested that the Board discharge \$16,014.52 on behalf of FC 180 - Social Services for overpayments/over-issuances in the CalWORKS, CalFresh, and General Assistance programs that have been determined to be non-collectible.

Memos from the departments are included in Attachment 3.

### **Miscellaneous Adjustments:**

In addition to the items listed above, the Board is asked to approve the following budget adjustments:

- Approve a budget adjustment in FC 186 - Veterans' Services in the amount of \$26,964 to recognize unanticipated revenue from a State Awarded Grant to increase veteran outreach efforts;
- Approve a budget adjustment in the amount of \$33,105.66 from the Library's Atascadero Building Expansion Reserve to FC 377 - Library operating budget to reimburse the Library for costs associated with the Atascadero Library project;
- Approve a budget adjustment from General Fund contingencies authorizing a line of credit for Cayucos Fire Protection District in an amount not to exceed \$250,000 pursuant to the five year agreement approved by your Board on February 26, 2013;
- Approve a budget adjustment to move funds from Capital Project 320078 Arroyo Grande-Install Fiber Optic to Capital Project 320044 to augment the Grover Beach – Install Fiber Lateral project;
- Approve a budget adjustment from contingencies in FC 290 - Community Development in the amount of \$21,048; \$15,000 for the 2015 homeless enumeration and \$6,048 for Rapid Re-Housing and Homeless Prevention programs;

Memos from the requesting departments are included in Attachment 4.

### **Surplus Vehicles:**

Requests to declare County vehicles surplus and authorize their disposal are presented to the Board for consideration. County Code Section 2.36.030(5) provides the authority to sell, destroy or otherwise dispose of any personal property belonging to the County and found by the Board of Supervisors not to be required for public use. General Services - Fleet requests that the Board declare 11 vehicles surplus and authorize their disposal. A memo from the General Services Department is included in Attachment 5.

**Section 5: Capital and Maintenance Projects Managed by the  
General Services Department and Public Works Department**

The second quarter status reports on capital and maintenance projects can be found in Attachment 6. This information is provided to keep the Board apprised of the status of various capital and maintenance projects managed by the General Services and the Public Works Departments.